



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

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FOR IMMEDIATE RELEASE

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TWO LOCAL TAX RATES CHANGE JULY 1, 2006

The California State Board of Equalization today is reminding taxpayers of two local sales and use tax rate changes effective July 1, 2006.

City of Woodland

The City of Woodland's .50% local sales and use tax will expire at midnight, June 30, 2006, reducing the city's tax rate from 7.75% to 7.25%. Sales made in other parts of Yolo County are unaffected by the rate change. Woodland voters recently passed a measure reinstating the additional local .50% sales and use tax this fall. With its passage, the city's local sales and use tax rate will return to 7.75% on October 1, 2006.

City of Laguna Beach

In December of 2005, Laguna Beach voters approved a .50% sales and use tax, effectively raising their local tax rate from 7.75% to 8.25%. Sales made in other parts of Orange County are unaffected by the rate change. The increase, approved by voters locally, will fund programs at the city level.

Retailers must apply the new tax rates if they:

- Operate within the city and their merchandise is sold and delivered within the area.
- Sell vehicles, vessels, or aircraft to customers that register them within the city.
- Collect tax on payments received for leased property used by the lessee in the city.
- Operate outside of the city but are engaged in business within the area and sell merchandise for use in the city. Retailers are considered to be engaged in business in the city if they (1) have any type of business location there, (2) deliver into the city using their own vehicles or (3) have an agent or representative in the city for the purpose of taking orders, or for sales, delivery, installation, or assembly.

For example, a retailer who operates outside a city must still collect the additional tax when delivering merchandise to the city with the retailer's own vehicle.

If a retailer is not required to collect the additional tax as described above, the purchaser is liable for that tax.

For more information, visit www.boe.ca.gov or call 800-400-7115.

The Board collects almost \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.

A Special Notice with detailed information about the rate changes can be found [here](#).

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